

**Amendment No. 1 to SB4099**

**Woodson**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 4099**

**House Bill No. 4130\***

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated section:

§ 49-4-9\_\_.

(a) This section shall be known and may be cited as the “Tennessee Rural Health Act of 2008”.

(b) To be eligible for a Tennessee rural health scholarship, a student shall:

(1) Not be ineligible for the scholarship under § 49-4-904;

(2) Be classified as an in-state student under the rules of the Tennessee board of regents or the University of Tennessee system on the date of application for the scholarship and on the date of reapplication for the scholarship each academic year;

(3) Be admitted to and enroll in an eligible postsecondary institution that:

(A) Has a school of medicine providing a program of study accredited by the Liaison Committee on Medical Education, or its successor, as a full-time student seeking the degree doctor of medicine (M.D.);

(B) Has a school of medicine providing a program of study accredited by the Bureau of Professional Education of the American Osteopathy Association, or its successor, as a full-time student seeking the degree doctor of osteopathic medicine (D.O.);

(C) Offers a physician assistant program that is accredited by the Accreditation Review Commission on Education for the Physician

Assistant, or its successor, as a full-time student seeking to become a physician assistant;

(D) Offers a nurse practitioner program that is accredited by the National League for Nursing Accrediting Commission, Inc., or its successor, or the Commission on Collegiate Nursing Education, or its successor, as a full-time student seeking to become a nurse practitioner;

(E) Has a school of dentistry providing a program of study accredited by the Commission on Dental Accreditation, or its successor, as a full-time student seeking the degree doctor of dental surgery (D.D.S.) or the degree doctor of dental medicine (D.M.D.); or

(F) Has a school of optometry providing a program of study accredited by the Accreditation Council on Optometric Education of the American Optometric Association, or its successor, as a full-time student seeking the degree doctor of optometry (O.D.).

(4) Maintain satisfactory progress in the program of study in which the student is enrolled;

(5)

(1) Agree to practice medicine in a health resource shortage area after becoming a Tennessee licensed physician, osteopathic physician, or physician assistant or receiving a Tennessee certificate of fitness as a nurse practitioner one (1) year for each year of funding provided by a Tennessee rural health scholarship;

(2) Agree to practice dentistry in a health resource shortage area after becoming a Tennessee licensed dentist one (1) year for each year of funding provided by a Tennessee rural health scholarship; or

(3) Agree to practice optometry in a health resource shortage area after becoming a Tennessee licensed optometrist one (1) year for each year of funding provided by a Tennessee rural health scholarship.

(6) Not accept any other financial assistance that carries with it a service obligation after graduation and receipt of the applicable license to practice medicine, dentistry or optometry, except for a service obligation in the United States armed forces reserve or the national guard; and

(7) Sign a promissory note each year the scholarship is awarded that stipulates the cash repayment obligation incurred if the medical, dental or optometry service is not fulfilled. If a scholarship recipient obligates to a service commitment under another loan-scholarship program other than a service commitment permitted under subdivision (6), fails to complete the medical, dental or optometry program the recipient enrolled in, or fails to practice medicine, dentistry or optometry in a health resource shortage area for the number of years required to fulfill the recipient's obligation pursuant to the award of a Tennessee rural health scholarship, then all funds obtained from the award of the scholarship shall be repaid with interest; provided, however, that no repayment shall be due, if TSAC finds that it is impossible for the recipient to fulfill the service obligation because of death or permanent disability of the recipient.

(c) A scholarship recipient shall not be required to fulfill the service requirement of subdivision (b)(5) or make any repayment of scholarship funds during any period of training required for licensure, including, but not limited to internship or residency, or during active duty service in the United States armed forces or mobilization as a member of the reserve components, but such period shall not exceed six (6) years.

(d)

(1) A Tennessee rural health scholarship awarded to a student attending an eligible public postsecondary institution shall be the amount of in-state tuition and fees for the program in which the student is enrolled.

(2) A Tennessee rural health scholarship awarded to a student attending an eligible independent postsecondary institution shall be:

(A) If an eligible public postsecondary institution offers a program comparable to that in which the student is enrolled, the average amount of in-state tuition and fees for such programs at all eligible public postsecondary institutions offering comparable programs; or

(B) If no eligible public postsecondary institution offers a program comparable to that in which the student is enrolled, the average amount of tuition and fees for such programs at all eligible independent postsecondary institutions offering comparable programs.

(3) No partial scholarship shall be awarded under this section.

(e) As used in this section, "health resource shortage area" means an area determined as a health resource shortage area by the department of health, office of rural health.

(f) The Tennessee student assistance corporation, in consultation with the department of health, Tennessee board of medical examiners, the board of osteopathic examination, the committee on physician assistants, the board of nursing, the board of dentistry and the board of optometry, is authorized to promulgate rules and regulations for the management and administration of the program, including the execution of appropriate contracts and promissory notes, the terms of promissory notes, cancellation of the notes and deferment of repayment and, should a scholarship recipient be required to repay a promissory note, the rate of interest and terms of repayment. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

(g) No retroactive award of a Tennessee rural health scholarship shall be made under this section.

(h) Scholarships awarded under this section shall commence with the 2009-2010 academic year.

(k)

(1) There is hereby created within the state treasury a fund to be known as the "Tennessee rural health scholarship fund." Moneys shall be deposited into the Tennessee rural health scholarship fund from the lottery for education account established in § 4-51-111. Amounts remaining in the fund at the end of each fiscal year shall not revert to the lottery for education account or the general fund but shall remain in the fund. The state funding board created by § 9-9-101 shall adopt an investment policy for the fund designed to achieve its purpose as an endowment. Moneys in the fund may be invested in the state pooled investment fund established by §9-4-603, the chairs of excellence endowment fund established by § 49-7-501, any securities authorized in § 9-4-602, or in any securities or classes of securities not specifically authorized in § 9-4-602 which are approved by resolution of the state funding board. All earnings attributable to such investments shall be credited to the Tennessee rural health scholarship fund.

(2) The principal amount of the Tennessee rural health scholarship fund shall equal twenty-five million dollars (\$25,000,000). On July 1, 2008, the amount of twenty-five million dollars (\$25,000,000) shall be transferred from the lottery for education account to the Tennessee rural health scholarship fund.

(3) In any year in which the fund balance exceeds the principal amount, the Tennessee student assistance corporation may draw on moneys in the Tennessee rural health scholarship fund in excess of the principal amount to award grants under this scholarship program. All such moneys so expended shall be used to supplement, not supplant, funds enabling citizens of this state to attend postsecondary educational institutions located within this state.

(l)

(1) THEC shall include as part of its annual report to the education committees of the senate and the house of representatives required under § 49-4-903(b) an analysis of the scholarship program established under this section

including the total number of scholarships awarded by year, the number of scholarships awarded by the types of programs in which the recipients are enrolled and such other data as THEC finds significant. The following data and information shall also be included for each recipient during the academic year in progress at the time of the report:

(A) The name of the recipient;

(B) The recipient's hometown;

(C) The undergraduate institution from which the recipient graduated;

(D) The school and program in which the recipient is enrolled;

and

(E) The expected date of completion by the recipient of the program in which the student is enrolled.

(2) The comptroller of the treasury, through the comptroller's office of education accountability, shall review and study the Tennessee rural health scholarship program to determine the effectiveness of the program in educating medical, dental and optometric professionals and in improving the delivery of health care to Tennesseans living in rural areas. Such study shall be done in the fifth year of the program and every four (4) years thereafter. The comptroller shall report the findings and conclusions of the study to the speakers of the senate and house of representatives and the chairs of the education committees of the senate and the house of representatives.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.